

AMENDMENT TO H.R. 1
OFFERED BY MRS. MILLER OF MICHIGAN

Add at the end of subtitle H of title I of division B
the following new part:

1 **PART 5—NEW MOTOR VEHICLE CREDIT**

2 **SEC. 1741. NEW MOTOR VEHICLE EXPENDITURES.**

3 (a) IN GENERAL.—Part VI of subchapter B of chap-
4 ter 1 of the Internal Revenue Code of 1986 is amended
5 by adding at the end the following new section:

6 **“SEC. 200. NEW MOTOR VEHICLE EXPENDITURES.**

7 “(a) IN GENERAL.—In the case of an individual or
8 a taxpayer which is an eligible small business, there shall
9 be allowed as a deduction for the taxable year an amount
10 equal to so much of the qualified new motor vehicle ex-
11 penditures of the taxpayer for the taxable year as do not
12 exceed \$5,000.

13 “(b) QUALIFIED NEW MOTOR VEHICLE EXPENDI-
14 TURES.—For purposes of this section, the term ‘qualified
15 new motor vehicle expenditures’ means amounts paid or
16 incurred for the purchase of a motor vehicle (as defined
17 in section 30(c)(2))—

18 “(1) which is acquired for use by the taxpayer
19 and not for resale,

1 “(2) the original use of which commences with
2 the taxpayer, and

3 “(3) which has a vehicle gross weight rating of
4 not more than 14,000 pounds.

5 “(c) DEFINITIONS AND SPECIAL RULES.—For pur-
6 poses of this section—

7 “(1) SMALL BUSINESS.—A taxpayer is an eligi-
8 ble small business for any taxable year if the average
9 annual gross receipts of the taxpayer for the 3 pre-
10 ceding taxable years do not exceed \$5,000,000. For
11 purposes of the preceding sentence, rules similar to
12 the rules of paragraphs (2) and (3) of section 448(c)
13 shall apply.

14 “(2) ONE-TIME ONLY.—If a deduction is al-
15 lowed under subsection (a) with respect to an tax-
16 payer who places in service a motor vehicle, no de-
17 duction shall be allowed with respect to any other
18 vehicle placed in service by such individual.

19 “(3) BASIS REDUCTION.—The basis of any
20 property for which a deduction is allowed under sub-
21 section (a) shall be reduced by the amount of such
22 deduction.

23 “(4) ELECTION NOT TO TAKE CREDIT.—No
24 deduction shall be allowed under subsection (a) with

1 respect to any vehicle if the taxpayer elects to not
2 have this section apply to such vehicle.

3 “(5) NO DOUBLE BENEFIT.—The amount of
4 any deduction or other credit allowable under this
5 chapter with respect to a vehicle shall be reduced by
6 the amount of any deduction allowed under sub-
7 section (a) for such vehicle for the taxable year.

8 “(6) PROPERTY USED OUTSIDE UNITED
9 STATES, ETC., NOT QUALIFIED.—No deduction shall
10 be allowed under subsection (a) with respect to any
11 property referred to in section 50(b) or with respect
12 to the portion of the cost of any property taken into
13 account under section 179.

14 “(d) TERMINATION.—This section shall not apply to
15 any vehicle purchased more than 180 days after the date
16 of the enactment of the American Recovery and Reinvest-
17 ment Tax Act of 2009.”.

18 (b) CONFORMING AMENDMENT.—Subsection (a) of
19 section 1016 of such Code is amended by striking “and”
20 at the end of paragraph (36), by striking the period at
21 the end of paragraph (37) and inserting “, and”, and by
22 adding at the end the following new paragraph:

23 “(38) to the extent provided in section
24 200(d)(3).”.

1 (c) CLERICAL AMENDMENT.—The table of sections
2 for part VI of subchapter B of chapter 1 of such Code
3 is amended by striking the item relating to section 224
4 and inserting the following new items:

“Sec. 200. New motor vehicle expenditures.”.

5 (d) EFFECTIVE DATE.—The amendments made by
6 this section shall apply to amounts paid or incurred after
7 the date of the enactment of this Act.

